Reduced drug prices

21. SHRI S.S. AHLUWALIA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a)whether Government have reduced the rates of Central Excise Duty on several drugs in the recent past;

(b)if so, the details thereof, including rates of duty levied prior to the said revision;

(c)the reason/objective behind the decision;

(d)whether any monitoring of retail prices of these drugs is being done to ascertain, *inter alia,* if the benefit of duty reduction is being passed on to the actual beneficiaries;

(e)if so, the finding thereof; and

(f) if not, the reasons therefore?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) The excise duty at the rate of 16% is leviable on Drugs and medicines (excluding pharmaceutical products and medicaments containing alcohol, opium, Indian hemp or other narcotic drugs) with effect from 1999-2000 till date. Specified bulk drugs and life saving medicines are exempted from levy of the excise duty. There has been no reduction in excise duty rates on drugs and medicines in recent past.

(b) to (f) In view of reply to (a) above, does not arise.

Demands made by pharma companies

22. DR. M.A.M. RAMASWAMY: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the pharmaceutical industry has been demanding exemption from price control of drugs in which the companies have invested heavily;

(b) if so, the details of the other demands of the industry;

(c) Government's reaction thereto;

(d) whether the new pharmaceutical policy has been prepared;